

## EXHIBIT 2

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
WACO DIVISION

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PALTALK HOLDINGS, INC.,  
Plaintiff,  
vs.

CISCO SYSTEMS, INC.,  
Defendant.

Case No. 6:21-cv-00757-ADA

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VIDEOTAPED DEPOSITION OF  
PALTALK HOLDINGS, INC.  
BY

JASON KATZ

Wednesday, September 14, 2022  
Conducted Remotely

REPORTED BY:

Christina Diaz, CRC, CRR, RMR, CSR, CLR

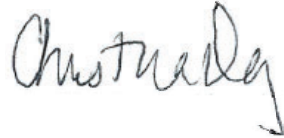
Job Number: 5415520

<p>1 Q. And how much money did Microsoft 2 ultimately pay for the license to Paltalk's 3 entire portfolio? 4 A. I believe it was \$15 million, but 5 I am quite sure it says so in the 6 agreement. 7 Q. And I will direct your attention 8 to Section 5, if that refreshes your 9 recollection? 10 A. Yes. \$15 million. 11 Q. Microsoft paid \$15 million for a 12 fully paid-up license for itself and its 13 customers using Microsoft products to the 14 Paltalk portfolio, correct? 15 A. Correct. 16 Q. Obviously, since the '858 is in 17 the Paltalk portfolio, that would include 18 the '858 patent? 19 A. I believe it would. 20 Q. Prior to executing this license 21 agreement, did Paltalk investigate whether 22 Microsoft had any products or services that 23 infringed the '858 patent? 24 MS. MAGEE: I will object as 25 privileged as to attorney-client</p> <p style="text-align: right;">Page 154</p>	<p>1 experts in the litigation that performed 2 all of the analysis, and that's where the 3 \$90 million came from. 4 Q. And you mentioned a moment ago, I 5 believe, that it took getting to trial and 6 getting you on the stand for Microsoft to 7 agree to settle. 8 Did I sort of summarize that 9 correctly? 10 A. Yes. That's right. 11 Q. Is there something about your 12 testimony in particular that you believe 13 caused Microsoft to settle? 14 A. My sense is it was David and 15 Goliath. We are a small company. I am 16 sure Microsoft gets sued a lot, and they 17 were dismissive all the way until we got to 18 trial, and I believe then, and I believe 19 now they were infringing those patents. 20 Q. And, at this point, you don't 21 know whether Microsoft is offering 22 technology that practices the '858 patent 23 that it's licensed to? 24 A. I don't know. 25 Q. And, to your knowledge, if</p> <p style="text-align: right;">Page 156</p>
<p>1 privilege and also work product. 2 Mr. Katz, if you can answer the 3 question without getting into those, 4 you can. 5 A. I don't recall having done that. 6 BY MS. PIEPMEIER: 7 Q. And do you have any 8 non-privileged basis for how that \$15 9 million was arrived at as an amount 10 covering the Paltalk portfolio? 11 A. Again, my recollection of it is 12 that through the couple of years that we 13 were litigating with Microsoft, that it 14 took getting to trial and me testifying for 15 them to settle for what was, for us, a 16 sizeable amount of money. Clearly not the 17 \$90 million of infringement, but it was the 18 judgment of the board and myself to accept 19 that. 20 Q. Did you perform -- strike that. 21 Did Paltalk perform any 22 non-privileged valuations or analyses or 23 royalty rate analyses that support that 15 24 million number? 25 A. No. As I said, we had damages</p> <p style="text-align: right;">Page 155</p>	<p>1 Microsoft is doing that, they do not have 2 an obligation to mark with the '858 patent, 3 correct? 4 A. I am no expert in any of this, so 5 I can't tell you whether they would have an 6 obligation or not. 7 Q. You did not include in the 8 settlement agreement an obligation that 9 Microsoft mark any of its products or 10 services with any of the products or 11 services it's selling that practice those 12 patents, correct? 13 A. I don't recall that, and I don't 14 see it in the agreement. If you do, then 15 you can point me to it, and I can review 16 it. But I don't recall that. 17 Q. I know you said you didn't have 18 -- strike that. 19 I know you said Paltalk didn't 20 have any specific licensing policies but 21 having reviewed a few of these agreements, 22 is it fair to say that the lump sum payment 23 structure contained in this agreement is 24 consistent with the way Paltalk has 25 normally engaged in patent licensing?</p> <p style="text-align: right;">Page 157</p>

<p>1 A. Well, I believe there is this 2 agreement and Sony and Activision. And, in 3 each of those, I believe it was the same 4 lump sum payment and the license to the 5 entire portfolio. 6 Q. As I scroll through this 7 document, I see that the version that was 8 produced to us is executed by Microsoft, 9 and that's on page -- it's numbered page 10 10, PT 988. 11 Do you see that? 12 A. Yes. 13 Q. I don't see a Paltalk signature. 14 Did Paltalk execute this? 15 A. For sure. 16 Q. Did you execute this on behalf of 17 Paltalk Holdings? 18 A. For sure. 19 Q. Somewhere do you have an executed 20 version? 21 A. You know, I looked for it and 22 diligently. What I think happened was it 23 was probably a separate signature page that 24 was circulated, and I cannot locate it. I 25 haven't been able to locate it.</p> <p style="text-align: right;">Page 158</p>	<p>1 platform, and "Call of Duty" was the game 2 that Activision produced, and the behavior 3 was the same. It was the same ability to 4 play a game with people remote on the 5 internet where the view of the game and all 6 the actions had to be maintained in a way 7 that allowed people to play, and that's 8 what the patents covered -- is my 9 understanding. 10 MS. PIEPMEIER: Let's please mark 11 Tab 20 as the next exhibit. 12 VERITEXT CONCIERGE: Which 13 number, Counsel? 14 MS. PIEPMEIER: 20. 2-0. 15 Tab 20. 16 VERITEXT CONCIERGE: Okay. 17 Thanks. 18 (Katz Exhibit 16, License and 19 Settlement Agreement, bearing 20 Production Nos. PT 993 through 1011, 21 was marked for identification) 22 VERITEXT CONCIERGE: Exhibit 16 23 is marked. 24 BY MS. PIEPMEIER: 25 Q. Okay. Are you able to see</p> <p style="text-align: right;">Page 160</p>
<p>1 Q. You are pretty sure that 2 Microsoft paid you, though, under the 3 agreement? 4 A. Oh, I am positive they paid, and 5 I am positive I signed. 6 Q. Okay. Let us turn, then, to the 7 Sony Activision litigation that you 8 mentioned. 9 Paltalk Holdings sued Sony 10 Activision, et cetera, in 2009. 11 Is that correct? 12 A. Correct. 13 Q. Without discussing any 14 communications with counsel or revealing 15 them, what is Paltalk's understanding of 16 the technology that was infringing the '523 17 and '686 patents in Paltalk's view? 18 MS. MAGEE: I will object as to 19 privilege and work product. 20 But, Mr. Katz, if you have an 21 understanding beyond that, you can 22 answer. 23 A. Honestly, enormously -- same two 24 patents enormously similar to Microsoft. 25 It was PlayStation. It was Sony's</p> <p style="text-align: right;">Page 159</p>	<p>1 Exhibit 16? 2 A. Yes. 3 Q. And, for the record, this bears 4 Bates number -- starts with Bates number PT 5 993, right? 6 A. Right. 7 Q. This is the October 13, 2011, 8 settlement agreement between the Sony 9 entities and Paltalk Holdings, right? 10 A. Correct. 11 Q. And the technology that was 12 accused here -- and for that matter, in the 13 Microsoft matter -- had nothing to do with 14 audio conferencing, correct? 15 A. You know, I don't -- I vaguely 16 recall the ability to talk while you were 17 playing the game with the headset. I don't 18 recall specifically, though, whether that 19 was involved or not or it was just how the 20 game was rendered for the players. 21 Q. Okay. And the license agreement 22 that we are looking at, again, covers not 23 just the two asserted patents -- the '523 24 and the '686 -- but, in fact, the portfolio 25 that Paltalk Holdings has, which includes</p> <p style="text-align: right;">Page 161</p>

<p>1 the asserted '858, correct?</p> <p>2 A. Correct.</p> <p>3 Q. And what was the stage of this</p> <p>4 litigation when the matter was resolved?</p> <p>5 A. From memory, it was about two</p> <p>6 weeks before trial.</p> <p>7 Q. Okay. And did you give a</p> <p>8 deposition in this case?</p> <p>9 A. Yes.</p> <p>10 Q. How many days of deposition?</p> <p>11 A. At least one, maybe two. I don't</p> <p>12 recall exactly.</p> <p>13 MS. PIEPMEIER: Okay. And again,</p> <p>14 Counsel, we would ask that those</p> <p>15 transcripts be produced immediately.</p> <p>16 BY MS. PIEPMEIER:</p> <p>17 Q. And feel free to scroll through</p> <p>18 this document, if you need to refresh your</p> <p>19 recollection, but what was the amount that</p> <p>20 Sony Activision paid for the license?</p> <p>21 A. \$7.5 million.</p> <p>22 Q. And do you recall what amount</p> <p>23 Paltalk was asking for in damages? I</p> <p>24 realize the case didn't get to trial, but I</p> <p>25 assume there was a damages ask.</p> <p style="text-align: right;">Page 162</p>	<p>1 Holdings 7.5 million for a license to</p> <p>2 Paltalk Holdings portfolio for Sony and its</p> <p>3 customers using Sony's products in 2011,</p> <p>4 correct?</p> <p>5 A. Correct.</p> <p>6 Q. And sitting here today, you do</p> <p>7 not know what products Sony may offer that</p> <p>8 practice the '858 patent?</p> <p>9 A. I don't.</p> <p>10 Q. And you are not aware of any</p> <p>11 obligation that Paltalk gave to Sony to</p> <p>12 mark patents -- I am sorry -- products or</p> <p>13 services that practice the '858 patent?</p> <p>14 A. I don't recall that term, and,</p> <p>15 again, if it's in here and you could point</p> <p>16 me to it, I could read it. But I don't</p> <p>17 remember that.</p> <p>18 MS. PIEPMEIER: Let's please pull</p> <p>19 up Tab 22 as the next exhibit.</p> <p>20 (Katz Exhibit 17, License and</p> <p>21 Settlement Agreement, bearing</p> <p>22 Production Nos. PT 1012 through 1028,</p> <p>23 was marked for identification)</p> <p>24 VERITEXT CONCIERGE: Did you say</p> <p>25 22, 2-2?</p> <p style="text-align: right;">Page 164</p>
<p>1 A. Right. I don't recall.</p> <p>2 Q. It was asking some amount more</p> <p>3 than 7.5 million, I would assume.</p> <p>4 A. I would assume.</p> <p>5 Q. I will ask the same questions as</p> <p>6 before. I understand you may not know, and</p> <p>7 that's fine. But did Paltalk undertake any</p> <p>8 kind of royalty rate or other analysis in</p> <p>9 coming to the \$7.5 million number?</p> <p>10 A. Again, everything that Paltalk</p> <p>11 did was in communication with its lawyers</p> <p>12 and experts, so we didn't independently do</p> <p>13 anything.</p> <p>14 Q. And you don't remember whether</p> <p>15 anything was done -- strike that.</p> <p>16 You don't recall whether anyone</p> <p>17 on behalf of Paltalk, lawyers or not, did a</p> <p>18 royalty rate analysis that is reflected in</p> <p>19 the settlement agreement?</p> <p>20 A. I would expect the damages</p> <p>21 experts definitely looked at that, but, as</p> <p>22 you pointed out, I am sure the number was</p> <p>23 much higher than this as in the Microsoft</p> <p>24 case.</p> <p>25 Q. Okay. And so Sony paid Paltalk</p> <p style="text-align: right;">Page 163</p>	<p>1 MS. PIEPMEIER: Correct.</p> <p>2 VERITEXT CONCIERGE: Thanks.</p> <p>3 Exhibit 17 is marked.</p> <p>4 BY MS. PIEPMEIER:</p> <p>5 Q. For the record, I will note that</p> <p>6 this is a document beginning with Bates</p> <p>7 number PT 1012 titled License and</p> <p>8 Settlement Agreement.</p> <p>9 Do you see that?</p> <p>10 A. Yes.</p> <p>11 Q. It appears to be a license and</p> <p>12 settlement agreement between Paltalk</p> <p>13 Holdings and Activision.</p> <p>14 Do you see that?</p> <p>15 A. Yes.</p> <p>16 Q. There is no date on this</p> <p>17 agreement. Do you know when it was</p> <p>18 executed or if it was executed?</p> <p>19 A. It was definitely executed.</p> <p>20 Let's see at the bottom, where the</p> <p>21 signatures are. I am scrolling. Sorry.</p> <p>22 Q. That's fine.</p> <p>23 A. September 15th, 2011.</p> <p>24 Q. I do not see a signature for</p> <p>25 Paltalk Holdings.</p> <p style="text-align: right;">Page 165</p>

<p>1 Did you execute this agreement, 2 in fact? 3 A. I did. Same issue. I am sure it 4 was a signature page that I haven't been 5 able to locate, but I definitely signed it. 6 Q. You definitely signed it, and you 7 definitely got paid. 8 Is that right? 9 A. Definitely. 10 Q. You might notice if you did not 11 receive \$22.5 million? 12 A. I would notice, yes. 13 Q. What stage of the litigation was 14 this matter in? 15 I am not sure if it was running 16 at the same stage as Sony or if Activision 17 was offset at all? 18 A. No. It was the same. It was two 19 weeks before trial. 20 Q. And did you give a separate 21 deposition for Activision than you did for 22 Sony? 23 A. I think it was one deposition, 24 and they both participated -- is my memory. 25 MS. PIEPMEIER: Okay. To the</p> <p style="text-align: right;">Page 166</p>	<p>1 patent? 2 A. I don't. 3 Q. Paltalk did not obligate 4 Activision to mark any product or service 5 with any patents of HearMe that it may be 6 practicing, correct? 7 A. I don't remember that term in the 8 agreement. Again, if it's there and you 9 can show it to me, then I can refresh my 10 memory. But I don't recall that. 11 MS. PIEPMEIER: Let us take down 12 this exhibit. And please mark Tab 16, 13 1-6. 14 (Katz Exhibit 18, U.S. Patent 15 Number 5,822,523, 39 pages, was marked 16 for identification) 17 VERITEXT CONCIERGE: Exhibit 18 18 is marked. 19 BY MS. PIEPMEIER: 20 Q. For the record, what we have 21 marked as Exhibit 18 is U.S. Patent Number 22 5,822,523, which issued on October 13, 23 1998. 24 Do you see that? 25 A. I don't. Which tab is this?</p> <p style="text-align: right;">Page 168</p>
<p>1 extent there was a different 2 deposition, we would also request that 3 that transcript be produced. 4 BY MS. PIEPMEIER: 5 Q. Now I can't remember if you 6 described this earlier. I am sorry if I am 7 repeating a question. 8 What Activision product or 9 service or game was accused here? 10 A. Call of Duty. 11 Q. Call of Duty? 12 A. Yes. 13 Q. And Paltalk Holdings accused 14 Activision of infringing, again, the '523 15 and '686 patents, correct? 16 A. Correct. 17 Q. As the result of this resolution, 18 Activision received a portfolio based 19 license, a paid-up portfolio based license 20 to Paltalk Holdings entire portfolio, which 21 includes the '858 patent? 22 A. Correct. 23 Q. And sitting here today, you don't 24 know whether Activision ever offered a 25 product or service that practiced the '858</p> <p style="text-align: right;">Page 167</p>	<p>1 Q. Exhibit 18, which is Tab 16. 2 A. There we go. Yes. I see it. 3 Q. This is the '523 patent that 4 Paltalk Holdings asserted against 5 Microsoft, Sony, Activision among others, 6 correct? 7 A. That's correct. 8 Q. And there are three listed 9 inventors. 10 Do you see that on the first page 11 of the patent? 12 A. Yes. 13 Q. Have you ever spoken to or 14 communicated with any of them? 15 A. I may have e-mailed with Jeff 16 Rothschild. I don't remember. It's a 17 long, long, long time ago. Only him. If I 18 did anybody, it was him. 19 Q. And you wouldn't have spoken to 20 him or, frankly, any of them in over a 21 decade, I assume? 22 A. Oh, definitely not. 23 Q. To the extent that you did 24 communicate with Mr. Rothschild, do you 25 recall what it was about?</p> <p style="text-align: right;">Page 169</p>

<p>1 INFORMATION REQUESTS</p> <p>2 INSERTED INFORMATION - NONE -</p> <p>3 RULING - NONE -</p> <p>4</p> <p>5</p> <p>6 REQUESTS FOR PRODUCTION PAGE LINE</p> <p>7 Deposition or trial transcripts 148 22</p> <p>8 in Microsoft case</p> <p>9 Transcripts in Sony case 162 13</p> <p>10 transcripts in Activision case 166 25</p> <p>11</p> <p>12 DIRECTIONS NOT TO ANSWER PAGE LINE</p> <p>13 31 23</p> <p>14 152 10</p> <p>15 191 8</p> <p>16 202 3</p> <p>17 204 3</p> <p>18 205 2</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p style="text-align: right;">Page 214</p>	<p>1 C E R T I F I C A T E</p> <p>2 STATE OF NEW YORK )</p> <p>3 ) ss.:</p> <p>4 COUNTY OF NEW YORK)</p> <p>5 I, Christina Diaz, a Certified Realtime</p> <p>6 Captioner, Registered Merit Reporter and</p> <p>7 Certified Realtime Reporter and Notary Public</p> <p>8 within and for the State of New York, do hereby</p> <p>9 certify:</p> <p>10 That JASON KATZ, the witness whose</p> <p>11 deposition is hereinbefore set forth, was duly</p> <p>12 remotely sworn by me and that such deposition is</p> <p>13 a true record of the testimony given by such</p> <p>14 witness on September 14, 2022.</p> <p>15 I further certify that I am not related</p> <p>16 to any of the parties to this action by blood or</p> <p>17 marriage and that I am in no way interested in</p> <p>18 the outcome of this matter.</p> <p>19 Dated: September 19, 2022</p> <p>20 </p> <p>21</p> <p>22</p> <p>23 CHRISTINA DIAZ</p> <p>24 NCRA Certified Realtime Captioner</p> <p>25 NCRA Certified Realtime Reporter</p> <p>NCRA Registered Merit Reporter</p> <p>NYS Certified Shorthand Reporter</p> <p style="text-align: right;">Page 216</p>
<p>1 ACKNOWLEDGMENT OF DEPONENT</p> <p>2</p> <p>3 STATE OF NEW YORK )</p> <p>4 ) ss.:</p> <p>5 COUNTY OF NEW YORK )</p> <p>6</p> <p>7 I, JASON KATZ, hereby certify, that I</p> <p>8 have read the transcript of my testimony</p> <p>9 taken under oath remotely in my deposition</p> <p>10 of September 14, 2022; that the transcript</p> <p>11 is a true, complete and correct record of</p> <p>12 what was asked, answered and said during</p> <p>13 this deposition, and that the answers on the</p> <p>14 record as given by me are true and correct.</p> <p>15</p> <p>16 _____</p> <p>17 JASON KATZ</p> <p>18</p> <p>19 SUBSCRIBED AND SWORN BEFORE ME</p> <p>20 THIS ____ DAY OF _____ 2022.</p> <p>21 _____</p> <p>22 Notary Public</p> <p>23 My Commission Expires: _____</p> <p>24</p> <p>25</p> <p style="text-align: right;">Page 215</p>	<p>1 SARAH E. PIEPMEIER, ESQ.</p> <p>2 spiepmeier@perkinscoie.com</p> <p>3 SEPTEMBER 19, 2022</p> <p>4 RE: PALTALK HOLDINGS V. CISCO SYSTEMS</p> <p>5 SEPTEMBER 14, 2022, JASON KATZ, JOB NO. 5415520</p> <p>6 The above-referenced transcript has been</p> <p>7 completed by Veritext Legal Solutions and</p> <p>8 review of the transcript is being handled as follows:</p> <p>9 __ Per CA State Code (CCP 2025.520 (a)-(e)) – Contact Veritext</p> <p>10 to schedule a time to review the original transcript at</p> <p>11 a Veritext office.</p> <p>12 __ Per CA State Code (CCP 2025.520 (a)-(e)) – Locked .PDF</p> <p>13 Transcript - The witness should review the transcript and</p> <p>14 make any necessary corrections on the errata pages included</p> <p>15 below, notating the page and line number of the corrections.</p> <p>16 The witness should then sign and date the errata and penalty</p> <p>17 of perjury pages and return the completed pages to all</p> <p>18 appearing counsel within the period of time determined at</p> <p>19 the deposition or provided by the Code of Civil Procedure.</p> <p>20 __ Waiving the CA Code of Civil Procedure per Stipulation of</p> <p>21 Counsel - Original transcript to be released for signature</p> <p>22 as determined at the deposition.</p> <p>23 __ Signature Waived – Reading &amp; Signature was waived at the</p> <p>24 time of the deposition.</p> <p>25</p> <p style="text-align: right;">Page 217</p>